



ENERGY ASSURANCE DAILY

Monday Evening, June 15, 2009

Major Developments

Weekend Storms Knock Out Power to at Least 314,000 Customers Across the Mid-South

Severe storms damaged power lines and knocked out power to at least 314,000 customers in Tennessee, Alabama, Arkansas, and Mississippi beginning on the evening of June 12. As of 9:00 AM CDT June 15, Memphis Light, Gas and Water (MLGW) reported that about 40,000 customers remained without power, down from a peak of 131,000 on June 12. MLGW had restored power to some customers over the weekend before new storms added 10,000 new outages on the morning of June 14. On June 13, MLGW said it would be at least a week before power is fully restored. As of 10:00 PM CDT June 14, Alabama Power reported 9,030 customers without power, down from a peak of 101,000 on June 12. Outages had been reduced to less than 10,000 customers June 13 before new storms on the morning of June 14 led to 37,395 new outages. As of 9:30 AM CDT June 15, Entergy reported 7,180 customers without power in Arkansas and 2,377 customers without power in Mississippi, down from reported peaks of 38,000 and 20,000 respectively. As of 9:00 PM CDT June 14, First Electric Cooperative reported full restoration in Arkansas, down from a peak of 24,000 customers without power on June 12.

Mid-South Customer Power Outages			
June 12 - June 15, 2009			
Electric Utility	State	Peak	Latest Reported
Memphis Light, Gas and Water (MLGW)	TN	131,000	39,543
Alabama Power	AL	101,000	9,030
Entergy Arkansas	AR	38,000	7,180
First Electric Cooperative	AR	24,000	0
Entergy Mississippi	MS	20,000	2,377
TOTAL*		314,000	58,130

*Total outages only represent electric utilities listed in this table.

Sources: <http://twitter.com/mlgw>

http://www.mlwg.com/SubView.php?key=about_newsreleases&chunkid=281

http://www.mlwg.com/SubView.php?key=about_newsreleases&chunkid=280

http://www.mlwg.com/SubView.php?key=about_newsreleases&chunkid=279

<http://www.entergy-arkansas.com/outages/ms.aspx>

<http://www.firstelectric.coop/>

http://blog.al.com/spotnews/2009/06/evening_storms_have_left_62000.html

<http://www.myeyewitnessnews.com/news/local/story/MLGW-Over-130-000-Without-Power-in-Memphis-Area/TwrNxCT6NEKHR6LZgi19PA.csp>

http://www2.myfoxa.com/dpp/news/local/20090614_power_outages_across_alabama

<http://www.claimsjournal.com/news/southcentral/2009/06/15/101402.htm>

Electricity

Update: Power Restored to All Oncor Customers in North Texas June 14

An Oncor spokeswoman said that power was restored on the evening of June 14 to all customers who could receive power. Storms that hit the area beginning late June 10 caused more than 500,000 Oncor customers to lose power at one point or another.

<http://www.dallasnews.com/sharedcontent/dws/news/localnews/stories/061609dnmetoutages.823df3c8.html>

PG&E Criticized After Data Shows More, Longer Power Outages in 2008

Records kept by the California Public Utilities Commission (CPUC) show that Pacific Gas & Electric (PG&E) suffered more blackouts and had longer blackout durations than California's other big utilities. PG&E claims that last years numbers are skewed by one of the state's worst winter storms in years, which had a greater affect on PG&E's territory in Northern and Central California than in other parts of the state. When outages from the winter storms are removed, PG&E performs on par with other utilities across the country. Critics, however, say that PG&E has consistently provided poor service year after year.

<http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2009/06/15/MNRG184E5B.DTL>

DTE's 1,089 MW Fermi Nuke Unit 2 in Michigan Restarts After Weekend Shutdown

The unit was operating at 10 percent of capacity by the morning of June 15 after being shutdown by early June 14 so that workers could remove a malfunctioning drywell cooler.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

Bloomberg News, 12:39 June 15, 2009

Exelon's 1,093 MW Peach Bottom Nuke Unit 3 in Pennsylvania Returns to Full Power After Weekend Reduction

The unit returned to full power by early June 15 after being reduced to 60 percent of capacity by early June 14.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

PPL's Susquehanna Nuke Units 1 and 2 in Pennsylvania Ramp Up After Weekend Reduction

The 1,105 MW unit 1 ramped up to 94 percent of capacity by early June 15 after being reduced to 73 percent of capacity by June 14. The 1,111 MW unit 2 ramped up to 94 percent of capacity by early June 14 after being reduced to 75 percent of capacity by June 13.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

PSE&G's 1,092 MW Salem Nuke Unit 2 in New Jersey Returns to Full Power After Weekend Reduction

The unit ramped up to full power by early June 14 after being reduced to 87 percent of capacity by early June 13.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

Elk Hills Power's 552 MW Elk Hills Gas-fired Unit in California Returns to Service After Weekend Shutdown

According to the California Independent System Operator, the unit returned to service by June 14 after an unplanned outage, which began by June 12.

<http://www.caiso.com/unitstatus/data/unitstatus200906141515.html>

Update: PG&E's 407 MW Helms Pump-Gen Unit 1 Hydro Unit in California Returns to Service by June 14

According to the California Independent System Operator, the unit reported a return from an unplanned outage.

<http://www.caiso.com/unitstatus/data/unitstatus200906141515.html>

La Paloma's 260 MW La Paloma Gas-fired Unit 1 in California Shut by June 13

According to the California Independent System Operator, the unit reported an unplanned outage on June 13.

<http://www.caiso.com/unitstatus/data/unitstatus200906131515.html>

Update: Reliant's 215 MW Mandalay Gas-fired Unit 2 in California Returns to Service by June 12

According to the California Independent System Operator, the unit reported a return from an unplanned outage.

<http://www.caiso.com/unitstatus/data/unitstatus200906121515.html>

Non-Hydro Renewable Energy Could Contribute 10 Percent of U.S. Electricity Needs by 2020 - Report

A report by the National Research Council says that current technology with accelerated deployment, increases in transmission capacity, and other electric-grid improvements, non-hydroelectric renewables could technically contribute up to 10 percent of U.S. electricity by 2020, and 20 percent or more by 2035. However, the report also states that technological advancements will continue to be needed to reduce costs and make renewable electricity technologies more efficient,

<http://www8.nationalacademies.org/onpinews/newsitem.aspx?RecordID=12619>

Petroleum

Update: Units to be Shut 3 More Weeks at Valero's 185,000 b/d Norco, Louisiana Refinery

The 90,000 b/d crude distillation unit (CDU), 70,000 b/d coker, and 200,000 b/d vacuum unit will remain shut for three more weeks. Production at the plant continues to be "significantly reduced" after a June 9 fire damaged the vacuum unit and forced the other two units to shutdown.

Bloomberg News, 11:52 June 15, 2009

Update: Valero Delays Planned Shutdown of 275,000 b/d Aruba Refinery to July

The company will delay the 2-3 month shutdown until July. The shutdown for "economic reasons" and to make repairs was originally scheduled for June.

Bloomberg News, 12:53 June 15, 2009

Update: Sunoco Restarts FCCU at 330,000 b/d Philadelphia, Pennsylvania Refinery June 13

The fluidic catalytic cracking unit (FCCU) returned to service after it was shut for repairs June 5.

Bloomberg News, 09:30 June 15, 2009

Boiler Shut at Sunoco's 178,000 b/d Marcus Hook, Pennsylvania Refinery June 14

Bloomberg News, June 14, 2009

Total Shuts Unidentified Unit at 232,000 b/d Port Arthur, Texas Refinery June 12

According to a filing with state regulators, Total shut Unit 835 due to instrumentation issues.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=125463>

Process Upset Reported at ConocoPhillips's 152,000 b/d Borger, Texas Refinery June 14

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=125468>

Full Rates Returned Immediately After June 13 Power Outage at Alon USA's 54,000 b/d Paramount, California Refinery

Reuters, 08:59 June 15, 2009

Valero Corpus Christi Coker Shutdown May be Start of Trend

Last week, Valero announced it was shutting down the coker at its Corpus Christi, Texas refinery for economic reasons. More refiners may shut cokers due to a narrowing differential between heavy and light crude oils and because of low margins for distillates. Cokers process heavy sour crude feedstock and produce mostly distillates.

<http://www.platts.com/Oil/News/6411011.xml?p=Oil/News&sub=Oil>

Pump Seal Leak Shuts 118,000 b/d TEPPCO's Chaparral NGL Pipeline June 13

The mainline was shut. The pump seal leak occurred at the pipeline's Conroe pump station.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=125462>

Nigerian Rebels Claim to Have Destroyed Chevron's Abiteye Pump Station June 15

The Movement for the Emancipation of the Niger Delta (MEND) claims to have attacked the Abiteye oil pumping early June 15. The attack allegedly "resulted in a massive fire outbreak that is consuming the entire facility."

Abiteye was already shut at the time of the attack due to a pipeline attack on May 25. Chevron has not commented on the incident but a spokesman for the Nigerian military says that an attempt to attack the facility was repelled.

Bloomberg News, 11:33 June 15, 2009

Natural Gas

SRU Shut at 160 MMcf/d Goldsmith Gas Plant in Texas June 13

The sulfur recover unit (SRU) went down after the sulfur boiler tripped.

<http://www11.tceq.state.tx.us/oce/eeer/index.cfm?fuseaction=main.getDetails&target=125466>

Other News

Officials Investigating High Ethanol Blend Problem in Gasoline in Southeastern Virginia

The Virginia Department of Agriculture and Consumer Affairs is investigating more than 150 complaints of car problems in southeastern Virginia allegedly caused by gasoline blended with excessive levels of ethanol.

<http://ethanol-news.newslib.com/story/6938-32538/>

Higher Ethanol Blends Would Benefit U.S. Energy Supply – Chu

U.S. Energy Secretary Steven Chu said that allowing gasoline blends with up to 12-13 percent ethanol would benefit U.S. energy supply and would not hurt car engines. Currently, gasoline is allowed to contain up to 10 percent ethanol. The EPA last month said it was extending the public comment period till July 20 on a proposal to increase the amount of ethanol blended in gasoline to as much as 15 percent.

<http://ethanol-news.newslib.com/story/6938-32483/>

Tanker Truck Carrying 8,000 Gallons of Ethanol Crashes, Explodes on California Freeway June 13

<http://ethanol-news.newslib.com/story/6938-32543/>

Tanker Truck Overturns, Spills 1,500 Gallons of Ethanol in North Carolina June 12

<http://ethanol-news.newslib.com/story/6938-32482/>

Business Leader Harold Newman Scraps Plans for a 100 Million Gal/year Ethanol Plant in North Dakota

<http://ethanol-news.newslib.com/story/6938-32480/>

Energy Prices

U.S. Oil and Gas Prices			
June 15, 2009			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	70.46	68.39	134.86
NATURAL GAS Henry Hub \$/Million Btu	3.80	3.51	12.51

Source: Reuters

Energy Notes

Western Governors' Association Expected to Adopt Document Outlining Areas of Western Interconnection Ripe for Renewable Energy Development June 15

<http://www.platts.com/Electric%20Power/News/8635309.xml?p=Electric%20Power/News&sub=Electric%20Power>

Canaport LNG Terminal in New Brunswick to Receive Inaugural Cargo June 20

Reuters, 12:18 June 15, 2009

Links

This Week in Petroleum from the Energy Information Administration (EIA)

<http://onto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

<http://onto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

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